

## Message Text

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11  
ORIGIN EB-07

INFO OCT-01 EA-07 IO-13 ISO-00 COME-00 LAB-04 L-03 AGR-05

CIAE-00 INR-07 NSAE-00 SP-02 STR-04 TRSE-00 CIEP-01

FRB-03 OMB-01 /058 R

DRAFTED BY EB/FTD:SFOUTS:CSH  
APPROVED BY EB/ORF:SBOSWORTH  
COMMERCE:AGAREL  
LABOR:ESWEENEY  
EA/PRCM:MVONBRIESEN  
L/T:WMCQUADE  
L/EB:GROSEN  
EB/FTD:CANGEVINE

----- 088299

R 310104Z JUL 76  
FM SECSTATE WASHDC  
TO AMCONSUL HONG KONG  
INFO USMISSION GENEVA

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GENEVA FOR PHELAN

E.O. 11652: N/A

TAGS: ETRD, HK

SUBJECT: BILATERAL TEXTILE AGREEMENT

REF: HONG KONG 7106

1. U.S. PROPOSES ALTERNATE LETTER INCORPORATING SEVERAL  
TECHNICAL CHANGES FROM DRAFT LETTER SUBMITTED REFTEL. WE  
DO NOT BELIEVE THESE CHANGES INVOLVE ANY DIFFERENCES IN  
SUBSTANCE FROM HKG DRAFT.

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2. IF TEXT BELOW ACCEPTABLE TO HKG, CONSULATE AUTHORIZED

TO EXCHANGE NOTES TO IMPLEMENT AMENDMENTS TO AGREEMENT. WHEN  
EXCHANGE COMPLETED, REPORT TO DEPARTMENT TELEGRAPHICALLY  
AND FORWARD ORIGINAL AND COPY OF HKG NOTE (CERTIFIED) AND  
2 CERTIFIED COPIES OF CONSULATE NOTE TO DEPARTMENT -  
ATTENTION ASSISTANT LEGAL ADVISOR FOR TREATY AFFIARS.

3. U.S. PROPOSED TEXT FOLLOWS: BEGIN QUOTE

SIR:

-- I REFER TO THE BILATERAL AGREEMENT OF JULY 25, 1974,  
AS AMENDED, BETWEEN OUR TWO GOVERNMENTS ON TRADE IN COTTON,  
WOOL, AND MAN-MADE FIBER TEXTILES, AND TO THE DISCUSSIONS

BETWEEN OUR GOVERNMENTS HELD IN HONG KONG APRIL 22 THROUGH  
24, 1976. IN VIEW OF THESE DISCUSSIONS, I PROPOSE THAT  
THE AGREEMENT BE FURTHER AMENDED BY THE FOLLOWING CHANGES:

-- 1. ANNEX A SHALL BE AMENDED BY THE ADDITION OF THE  
FOLLOWING CATEGORY:

CATEGORY DESCRIPTION UNIT CONVERSION FACTOR TO SQUARE YARD

224 (5) KNIT TOPS DOZ 15.69  
-- AND VESTS

-- CATEGORY 224 (5) SHALL BE COMPRISED OF TSUSA NUMBERS  
382.0455 AND 382.7879, WHICH ARE CURRENTLY CONTAINED IN  
CATEGORY 224 (4).

-- 2. ANNEX B UNDER GROUP II SHALL BE AMENDED AS  
FOLLOWS:

CATEGORY LEVEL  
-- SQUARE YARDS  
-- UNIT QUANTITY EQUIVALENT

DELETE:  
KNIT SHIRTS  
(EXCEPT T-SHIRTS)  
AND BLOUSES  
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(CATEGORY 219) DOZ. 1,435,945 26,363,950

ADD:  
KNIT SHIRTS, BLOUSES,  
TOPS, AND VESTS  
(CATEGORIES 218, 219,  
AND 224 (5)) DOZ. 3,252,680 46,829,319

DELETE:

KNIT T-SHIRTS

(CATEGORY 41/42) DOZ. 716,368 5,182,205

OTHER KNIT SHIRTS AND

BLOUSES EXCEPT

SWEATSHIRTS (CATE-

GORY 43 AND 62 (2)) DOZ. 1,184,117 8,565,901

ADD:

KNIT T-SHIRTS AND

OTHER KNIT SHIRTS AND

BLOUSES EXCEPT

SWEATSHIRTS (CATEGORY

41, 42, 43, AND

62 (2)) DOZ. 1,900,485 13,748,106

-SUBLIMIT - KNIT

T-SHIRTS (CATE-

GORY 41/42) DOZ. 895,460 6,477,756

-SUBLIMIT - OTHER

KNIT SHIRTS AND

BLOUSES EXCEPT

SWEATSHIRTS (CATE-

GORY 43 AND 62 (2)) DOZ. 1,480,146 10,707,378

DELETE:

ALL OTHER APPAREL

(CATEGORIES 39, 40,

44, 53, 55-59, 61,

62 (1), 63 (3),

63 (2), 214, 215, 217,

218, 220, 223, 224 (4),

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225-228, 230-236, AND

238-240) ASTERISK VARIABLE A/ VARIABLE A/ 154,545,284

ADD:

ALL OTHER APPAREL

(CATEGORIES 39, 40,

44, 53, 55-59, 61, 62 (1),

62 (3), 63 (2), 214, 215,

217, 220, 223, 224 (4),

225-228, 230-236, AND

238-240) ASTERISK VARIABLE A/ VARIABLE A/ 134,079,915

-- 3. EXPORTS IN THE COMBINED CATEGORY 218, 219, 224

(5) ESTABLISHED BY PARAGRAPH 2 OF THIS AMENDMENT SHALL BE

CHARGED TO THE SPECIFIC LIMIT BOTH IN DOZENS AND SQUARE

YARDS EQUIVALENT. TO DETERMINE THE CHARGES IN SQUARE YARDS EQUIVALENT, THE APPROPRIATE CONVERSION RATES ESTABLISHED IN ANNEX A WILL BE APPLIED FOR PRODUCTS IN EACH OF THE THREE CATEGORIES WHICH MAKE UP THE COMBINED CATEGORY.

-- 4. NOTWITHSTANDING THE ABOVE, EXPORTS IN COMBINED CATEGORY 218/219/224 (5) MAY EXCEED THE SPECIFIC LIMIT IN SQUARE YARDS EQUIVALENT FOR THE SECOND AGREEMENT YEAR BY 4,433,061 SYE, AND FOR THE THIRD AGREEMENT YEAR BY 1,105,618 SYE TO WHICH PARAGRAPH 5 AND 7 OF THE BILATERAL AGREEMENT SHALL NOT APPLY.

-- IF THIS PROPOSAL IS ACCEPTABLE TO THE GOVERNMENT OF HONG KONG, THIS NOTE AND YOUR NOTE OF ACCEPTANCE ON BEHALF OF THE GOVERNMENT OF HONG KONG WILL CONSTITUTE AN AGREEMENT BETWEEN OUR TWO GOVERNMENTS.  
(COMPLIMENTARY CLOSE) END QUOTE KISSINGER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXTILES, AGREEMENTS, AGREEMENT DRAFT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 31 JUL 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** saccheem  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE190267  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** SFOUTS:CSH  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760296-0705  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t1976071/aaaaaajn.tel  
**Line Count:** 187  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 HONG KONG 7106  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** saccheem  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 11 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <11 MAY 2004 by buchant0>; APPROVED <16 SEP 2004 by saccheem>  
**Review Markings:**

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Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

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**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BILATERAL TEXTILE AGREEMENT  
**TAGS:** ETRD, HK, US  
**To:** HONG KONG  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006